

This information sheet is designed to provide clarification in the interpretation and application of enterprise agreement provisions relating to the taking of recreation leave at half pay. For the purposes of the information sheet, references are made to the *NTPS 2013 – 2017 Enterprise Agreement* (the Agreement). However, many other enterprise agreements contain similar terms and conditions and the information contained within this document is of broader application within the NTPS.

### 1. Background

The ability to utilise recreation leave at half pay was introduced in 2007 as part of a suite of initiatives to assist employees in balancing work and life commitments. The initiatives are contained in Schedule 13 (Work Life Balance Initiatives) of the Agreement and are designed to provide increased flexibility for employees, without resulting in any overall advantage or disadvantage to employees in relation to the administration of accrual or payment of entitlements.<sup>1</sup>

In essence, the recreation leave at half pay provisions allow an employee to utilise a period of accrued recreation leave at half the usual rate of salary and allowances, in order to double the period of leave taken.

*Example:*

*Tom applies to use six days of accrued recreation leave at half pay, which allows him 12 working days (Monday 16 March 2015 through to Tuesday 31 March 2015 inclusive) away from work.*

During a period of recreation leave at half pay:

- Leave entitlements accrue as if the employee had utilised the amount of leave at full pay;<sup>2</sup> (i.e.: the total leave entitlement accrues over just one half of the total period away from work) and
- Salary and allowances are paid at 50% of the usual rate for the entire period of half pay;<sup>3</sup>
- Continuity of service is not broken;<sup>4</sup> and
- The second half of the period of leave does not count as service and service based entitlements are adjusted accordingly.<sup>5</sup>

### 2. Application and Interpretation of Recreation Leave at Half Pay Provisions

#### **a. Employees must apply to use at least one week (i.e.: 5 working days) of accrued recreation leave when accessing leave at half pay**

This requirement is consistent with the overall intent of the Work Life Balance Initiatives in genuinely encouraging greater work life balance, rather than being

<sup>1</sup> Refer clause 1.3 of Schedule 13 (Work Life Balance Initiatives), NTPS 2013-2017 Enterprise Agreement

<sup>2</sup> Refer clause 2.3(a) of Schedule 13 (Work Life Balance Initiatives), NTPS 2013-2017 Enterprise Agreement

<sup>3</sup> Refer clause 2.3(b) of Schedule 13 (Work Life Balance Initiatives), NTPS 2013-2017 Enterprise Agreement

<sup>4</sup> Refer clause 2.4 of Schedule 13 (Work Life Balance Initiatives), NTPS 2013-2017 Enterprise Agreement

<sup>5</sup> Refer clause 2.5 of Schedule 13 (Work Life Balance Initiatives), NTPS 2013-2017 Enterprise Agreement

applied towards ad hoc, single day, or short-term absences. It is also designed to minimise the administrative burden associated with processing additional recreation leave requests due to the half pay option.

(Note discussion under part (d) below for exceptions to this requirement)

### ***b. Accrual of leave while on recreation leave at half pay***

While salary and allowances are paid at 50% of the usual rate for the entire period of half pay, leave entitlements accrue as if the employee had utilised the amount of leave at full pay (i.e.: the total leave entitlement accrues over just one half of the total period away from work).

Accrual of leave in this manner is consistent with the principle set out at clause 1.3 of Schedule 13 which states that the initiative is not intended to advantage or disadvantage employees in relation to the administration or accrual of entitlements. Employees are entitled to leave accruals in accordance with their ordinary hours of work and would be advantaged if they continued to accrue leave entitlements during the whole of the recreation leave period at half pay.

To help conceptualise this, if recreation leave at half pay was not available, an employee who only had one week of accrued recreation leave would need to apply for one week of leave without pay in order to achieve a two week period away from work, and would not be entitled to leave accruals during the period of leave without pay.

### ***c. Effect on other entitlements***

As the second half of the leave period does not count as service, service based entitlements such as long service leave<sup>6</sup> will be deferred by the period of time falling within the second half of the recreation leave at half pay period.

This is consistent with the principle set out at clause 1.3 of Schedule 13 which states that the initiative is not intended to advantage or disadvantage employees in relation to the administration or accrual of entitlements. Using the same example as set out above, if recreation leave at half pay was not available, an employee would need to apply for a period of leave without pay in order to achieve the additional period away from work, which would not count as service.

### ***d. Impact of public holidays on periods of recreation leave at half pay***

Employees are entitled to receive payment in accordance with their ordinary hours of work for a public holiday falling anywhere during the period of recreation leave, including recreation leave at half pay.<sup>6</sup>

---

<sup>6</sup> This interpretation is consistent with section 89(1) of the *Fair Work Act* (Cth) and the National Employment Standard which states that if a period during which an employee takes paid annual leave includes a day that is a public holiday, the employee is taken not to be on paid annual leave on that day.

Consequently, public holidays are factored into the deduction of accrued leave entitlements in recreation leave at half pay situations, as follows:

- employees are paid for the public holiday at the amount that they would have been paid had the public holiday fallen on a day that they were not on recreation leave (i.e.: at their full rate of pay); and
- no accrued recreation leave will be deducted for that day, even though it falls within a period of recreation leave at half pay.

*Example:*

*Jill applies to use 5 days' recreation leave at half pay over a two week period from Monday 18 April 2016 through to Friday 29 April 2016. The Monday of the second week of leave is the ANZAC day public holiday. As a result, Jill is paid her full daily rate on the public holiday and only 4.5 days of leave are deducted from Jill's accrued recreation leave entitlement, reflecting the fact that Jill actually only had 9 days of recreation leave at half pay over her 10 days away from work.*

While clause 2.1 of Schedule 13 requires that employees must use at least one week of accrued recreation leave when accessing leave at half pay, an exception is made where a public holiday falls within the leave period and operates to reduce the leave accrual deduction to less than one week.

### **e. Payment of Personal Leave taken during recreation leave at half pay**

All NTPS enterprise agreements include provisions which enable an employee to take personal leave, subject to notice and evidence requirements, whilst on a period of recreation leave.<sup>7</sup> An employee may apply to take personal leave during a period of recreation leave because the employee is ill or injured or for carer's leave purposes.<sup>8</sup> Any personal (sick/carer's) leave granted in lieu during a period of recreation leave shall be paid at the employee's normal salary in accordance with his/her ordinary/agreed hours of work in the period (i.e. full-time or part-time hours).

During a period of recreation leave at half pay any personal leave approved in lieu will also be at half pay.<sup>9</sup> This means an employee will receive his/her normal salary at half pay for the period of personal leave taken. The personal leave balance will be adjusted accordingly to reflect half pay personal leave having been taken for the period.

<sup>7</sup> For example, refer clauses 51.9 and 52.9 of the NTPS 2013-2017 Enterprise Agreement.

<sup>8</sup> This interpretation is consistent with section 89(2) of the *Fair Work Act* (Cth) and National Employment Standard which provides that if the period during which an employee takes paid annual leave includes a period of personal/carer's leave (as per Part 2-2 Division 7 of the *Fair Work Act* (Cth)) the employee is taken not to be on paid annual leave for the period of that other leave.

<sup>9</sup> Refer clause 51.9(b) of the NTPS 2013-2017 Enterprise Agreement.

### ***f. Submitting an application for recreation leave at half pay***

To ensure the correct administration of leave accrual and deductions by the Department of Corporate and Information Services (DCIS) during periods of recreation leave at half pay, when applying for recreation leave at half pay, employees are required to submit a miscellaneous leave application covering the total period that they will be absent from work on a recreation leave at half pay arrangement, with the leave type 'Rec Leave Half Pay N (9809).

(Note – Although the miscellaneous leave application page includes a note stating that any leave type with a code starting with 98 or 99 is without pay, DCIS payroll staff will process applications entered in accordance with the above instructions manually to ensure correct processing at half pay).

### **3. Relevant Agreement Provisions**

- Clause 51.9
- Clause 52.6
- Clause 54.2(a)
- Clause 52.9
- Clause 1 of Schedule 13
- Clause 2 of Schedule 13

Issued June 2015